DEPARTMENT OF HEALTH AND HUMAN SERVICES
CENTERS FOR MEDICARE & MEDICAID SERVICES

FORM APPROVED
OMB No. 0938-0193

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL

FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES

1. TRANSMITTAL NUMBER: 04 — 05

2. STATE: Virginia

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)

TO: REGIONAL ADMINISTRATOR
CENTERS FOR MEDICARE & MEDICAID SERVICES
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE: July 1, 2004

5. TYPE OF PLAN MATERIAL *(Check One)*

☐ NEW STATE PLAN ☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN ☑ AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT *(Separate transmittal for each amendment)*

6. FEDERAL STATUTE/REGULATION CITATION: 42 CFR Part 440

7. FEDERAL BUDGET IMPACT
a. FFY 2005 $ -0-
b. FFY 2006 $ -0-

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 3.1 A&B, Supplement 1, pp 7, 9.2, 11 and 16 of 41. Attachment 4.19B, p 6 of 15

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT *(If Applicable)*: Replace the same pages.

10. SUBJECT OF AMENDMENT: Add Marriage and Family Therapists as Directly Enrolled Providers

11. GOVERNOR'S REVIEW *(Check One)*

☐ GOVERNOR'S OFFICE REPORTED NO COMMENT
☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL
☐ OTHER, AS SPECIFIED: Secretary of Health and Human Resources

2005

12. SIGNATURE OF STATE AGENCY OFFICIAL

13. TYPED NAME: Patrick W. Finnerty

14. TITLE: Director

15. DATE SUBMITTED:

16. RETURN TO

Dept. of Medical Assistance Services
600 East Broad Street, #1300
Richmond VA 23219

Attn: Regulation Coordinator

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED: 7/23/2004

18. DATE APPROVED: OCT 15 2004

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL: 7/1/2004

20. SIGNATURE OF REGIONAL OFFICIAL: Roseanne Gonfa for Nancy B. O'Connor

21. TYPED NAME: Nancy B. O'Connor

22. TITLE: Acting Regional Administrator

23. REMARKS

FORM CMS-179 (07/92)

Instructions on Back

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5. Physician's services whether furnished in the office, the patient's home, a hospital, a skilled nursing facility or elsewhere.

A. Elective surgery as defined by the Program is surgery that is not medically necessary to restore or materially improve a body function.

B. Cosmetic surgical procedures are not covered unless performed for physiological reasons and require Program prior approval.

C. Routine physicals and immunizations are not covered except when the services are provided under the Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) Program and when a well child examination is performed in a private physician's office for a foster child of the local social services department on specific referral from those departments.

D. Psychiatric services.

1. Psychiatric services are limited to an initial availability of 26 sessions, with one possible extension (subject to DMAS' approval) of 26 sessions during the first year of treatment. The availability is further restricted to no more than 26 sessions each succeeding year when approved by DMAS. Psychiatric services are further restricted to no more than three sessions in any given seven day period. Consistent with Omnibus Budget Reconciliation Act of 1989 § 6403, medically necessary psychiatric services shall be covered, when prior authorized by DMAS for individuals younger than 21 years of age when the need for such services has been identified in an EPSDT screening.

2. Psychiatric services can be provided by psychiatrists, a licensed clinical social worker, licensed professional counselor, a licensed clinical nurse specialist-psychiatric, or a licensed marriage and family therapist under the direct supervision of a psychiatrist.*

3. Psychological and psychiatric services shall be medically prescribed treatment which is directly and specifically related to an active written plan designed and signature-dated by either a psychiatrist or a licensed clinical social worker, licensed professional counselor, licensed clinical nurse specialist psychiatric, or licensed marriage and family therapist under the direct supervision of a psychiatrist.*

*Licensed clinical social workers, licensed professional counselors, licensed clinical-nurse specialists-psychiatric and licensed marriage and family therapists may also directly enroll or be supervised by psychologists as provided for in 12 VAC 30-50-150.

4. Psychological or psychiatric services shall be considered appropriate when an

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N. In compliance with 42 CFR E and F, claims for hospitalization in which sterilization, hysterectomy or abortion procedures were performed shall be subject to review of the required DMAS forms corresponding to the procedures. The claims shall suspend for manual review by DMAS. If the forms are not properly completed or not attached to the bill, the claim will be denied or reduced according to DMAS policy.

*Licensed clinical social workers, licensed professional counselors, licensed clinical nurse specialists psychiatric, and licensed marriage and family therapists may also directly enroll or be supervised by psychologists as provided for in 12 VAC 30-50-150.

O. Prior authorization is required for the following nonemergency outpatient procedures: Magnetic Resonance Imaging (MRI), Computer Axial Tomography (CAT) scans, or Positron Emission Tomography (PET) scans. The referring physician ordering nonemergency outpatient Magnetic Resonance Imaging (MRI), Computer Axial Tomography (CAT) scans, or Positron Emission Tomography (PET) scans must obtain prior authorization from the Department of Medical Assistance Services (DMAS) for those scans. The servicing provider will not be reimbursed for the scan unless proper prior authorization is obtained from DMAS by the referring physician.

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D. Other Practitioners' Services.

1. Clinical Psychologists' Services.
   a. These limitations apply to psychotherapy sessions provided, within the scope of their licenses, by licensed clinical psychologists or licensed clinical social workers/licensed professional counselors/licensed clinical nurse specialists-psychiatric/licensed marriage and family therapists who are either independently enrolled or under the direct supervision of a licensed clinical psychologist. Psychiatric services are limited to an initial availability of 26 sessions, with one possible extension of 26 sessions during the first year of treatment. The availability is further restricted to no more than 26 sessions each succeeding year when approved by the Psychiatric Review Board. Psychiatric services are further restricted to no more than three sessions in any given seven day period.
   b. Psychological testing is covered when provided, within the scope of their licenses, by licensed clinical psychologists or licensed clinical social workers/licensed professional counselors/licensed clinical nurse specialist-psychiatric/marriage and family therapists who are either independently enrolled or under the direct supervision of licensed clinical psychologists.

7. Home Health services. (12 VAC 30-50-160)

A. Service must be ordered or prescribed and directed or performed within the scope of a license of a practitioner of the healing arts. Home health services shall be provided in accordance with guidelines found in the Virginia Medicaid Home Health Manual.

B. Nursing services provided by a home health agency.
   1. Intermittent or part-time nursing service provided by a home health agency or by a registered nurse when no home health agency exists in the area.
   2. Patients may receive up to five visits by a licensed nurse annually. Limits are per recipient, regardless of the number of providers rendering services. Annually shall be defined as July 1 through June 30 for each recipient. If services beyond these limitations are determined by the physician to be required, then the provider shall request prior authorization from DMAS for additional services. Payment shall not be made for additional services unless authorized by DMAS.

C. Home health aide services provided by a home health agency.
   1. Home Health Aides must function under the supervision of a registered nurse.
   2. Home Health Aides must meet the certification requirements specified in 42 CFR 484.36.

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2. are provided by a facility that is not part of a hospital but is organized and operated to provide medical care to outpatients; and
3. except in the case of nurse-midwife services, as specified in 42 CFR §440.165, are furnished by or under the direction of a physician or dentist.

C. Reimbursement to community mental health clinics for medical psychotherapy services is provided only when performed by a qualified therapist. For purposes of this section, a qualified therapist is:
   1. A licensed physician who has completed three years of post-graduate residency training in psychiatry; or
   An 2. are provided by a facility that is not part of a hospital but is organized and operated to provide medical care to outpatients; and
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   1. A licensed physician who has completed three years of post-graduate residency training in psychiatry; or
   2. An individual licensed by one of the Boards administered by the Department of Health Professions to provide medical psychotherapy services including: licensed clinical psychologists, licensed clinical social workers, licensed professional counselors, or clinical nurse specialists-psychiatric; or licensed marriage and family therapists or
   3. An individual who holds a masters or doctorate degree, who has completed all coursework necessary for licensure by the appropriate board, and who has applied for a license but has not yet received such a license, in accordance with requirements or regulations promulgated by DMAS, by one of the licensed practitioners listed in subdivision 1 and 2 of this subsection.

10. Dental services.

A. Dental services are limited to recipients under 21 years of age in fulfillment of the treatment requirements under the Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) Program and defined as routine diagnostic, preventive, or restorative procedures necessary for oral health provided by or under the direct supervision of a dentist in accordance with the State Dental Practice Act.

B. Initial, periodic, and emergency examinations; required radiography necessary to develop a treatment plan; patient education; dental prophylaxis; fluoride treatments; routine amalgam and composite restorations; stainless steel crowns, prefabricated steel post, temporary (polycarbonate crowns) and stainless steel bands; crown recementation; pulpotomies; emergency endodontics for temporary relief of pain; pulp capping; sedative fillings; therapeutic apical closure; topical palliative treatment for dental pain; removal of foreign body; simple extractions;

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root recovery; incision and drainage of abscess; surgical exposure of the tooth to aid eruption; sequestrectomy for osteomyelitis; and oral antral fistula closure are dental services covered without preauthorization by the State Agency.

C. All covered dental services not referenced above require preauthorization or preparyment review by the State Agency. The following services are also covered through preauthorization: medically necessary full banded orthodontics, tooth guidance appliances, complete and partial dentures, surgical preparation (alveoloplasty) for prosthetics, single permanent crowns, and bridges. The following service is not covered: routine bases under restorations.

3. individual licensed by one of the Boards administered by the Department of Health Professions to provide medical psychotherapy services including: licensed clinical psychologists, licensed clinical social workers, licensed professional counselors, or clinical nurse specialists-psychiatric; or licensed marriage and family therapists or
3. An individual who holds a masters or doctorate degree, who has completed all coursework necessary for licensure by the appropriate board, and who has applied for a license but has not yet received such a license, in accordance with requirements or regulations promulgated by DMAS, by one of the licensed practitioners listed in subdivision 1 and 2 of this subsection.

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(b) Treatment related to an injury sustained more than 72 hours prior to the visit with the deterioration of the symptoms to the point of requiring medical treatment for stabilization.

(c) The initial treatment for medical emergencies including indications of severe chest pain, dyspnea, gastrointestinal hemorrhage, spontaneous abortion, loss of consciousness, status epilipticus, or other conditions considered life threatening.

(d) A visit in which the recipient's condition requires immediate hospital admission or the transfer to another facility for further treatment or a visit in which the recipient dies.

(e) Services provided for acute vital sign changes as specified in the provider manual.

(f) Services provided for severe pain when combined with one or more of the other guidelines.

(4) Payment shall be determined based on ICD-9-CM diagnosis codes and necessary supporting documentation.

(5) DMAS shall review on an ongoing basis the effectiveness of this program in achieving its objectives and for its effect on recipients, physicians, and hospitals. Program components may be revised subject to achieving program intent objectives, the accuracy and effectiveness of the ICD-9-CM code designations, and the impact on recipients and providers.

2. Dentists' services
3. Mental health services including: Community mental health services; Services of a licensed clinical psychologist; Mental health services provided by a physician

a. Services provided by licensed clinical psychologists shall be reimbursed at 90% of the reimbursement rate for psychiatrists.

b. Services provided by independently enrolled licensed clinical social workers, licensed professional counselors, licensed clinical nurse specialists-psychiatric or licensed marriage and family therapists shall be reimbursed at 75% of the reimbursement rate for licensed clinical psychologists.

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